

**EIGHTY-FOURTH GENERAL ASSEMBLY
2011 REGULAR SESSION
DAILY
HOUSE CLIP SHEET**

FEBRUARY 8, 2011

HOUSE FILE 189

H-1075

1 Amend House File 189 as follows:

2 1. By striking everything after the enacting clause
3 and inserting:

4 <Section 1. Section 257.8, subsection 1, Code 2011,
5 is amended to read as follows:

6 1. State percent of growth. ~~The state percent of~~
7 ~~growth for the budget year beginning July 1, 2009, is~~
8 ~~four percent.~~ The state percent of growth for the
9 budget year beginning July 1, 2010, is two percent.
10 The state percent of growth for the budget year
11 beginning July 1, 2011, is two percent. The state
12 percent of growth for the budget year beginning July
13 1, 2012, is two percent. The state percent of growth
14 for each subsequent budget year shall be established by
15 statute which shall be enacted within thirty days of
16 the submission in the year preceding the base year of
17 the governor's budget under section 8.21. ~~The Except~~
18 ~~for the budget year beginning July 1, 2011, and the~~
19 ~~budget year beginning July 1, 2012, the establishment~~
20 ~~of the state percent of growth for a budget year shall~~
21 ~~be the only subject matter of the bill which enacts the~~
22 ~~state percent of growth for a budget year.~~

23 Sec. 2. Section 257.8, subsection 2, Code 2011, is
24 amended to read as follows:

25 2. Categorical state percent of growth. The
26 categorical state percent of growth for the budget
27 year beginning July 1, 2010, is two percent. ~~The~~
28 ~~categorical state percent of growth for the budget~~
29 ~~year beginning July 1, 2011, is two percent. The~~
30 ~~categorical state percent of growth for the budget~~
31 ~~year beginning July 1, 2012, is two percent. The~~
32 ~~categorical state percent of growth for each budget~~
33 ~~year shall be established by statute which shall be~~
34 ~~enacted within thirty days of the submission in the~~
35 ~~year preceding the base year of the governor's budget~~
36 ~~under section 8.21. The Except for the budget year~~
37 ~~beginning July 1, 2011, and the budget year beginning~~
38 ~~July 1, 2012, the establishment of the categorical~~
39 ~~state percent of growth for a budget year shall be~~
40 ~~the only subject matter of the bill which enacts~~
41 ~~the categorical state percent of growth for a budget~~
42 ~~year. The categorical state percent of growth may~~
43 ~~include state percents of growth for the teacher salary~~
44 ~~supplement, the professional development supplement,~~
45 ~~and the early intervention supplement.~~

46 Sec. 3. EFFECTIVE UPON ENACTMENT AND
47 APPLICABILITY. This Act, being deemed of immediate
48 importance, takes effect upon enactment and is
49 applicable for computing state aid under the state

50 school foundation program for the school budget year
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1 beginning July 1, 2011, and for the school budget year
2 beginning July 1, 2012.>
3 2. Title page, by striking lines 1 through 4 and
4 inserting: <An Act establishing the state percent of
5 growth and the categorical state percent of growth for
6 purposes of the state school foundation program and
7 including effective date and applicability provisions.>

By JACOBY of Johnson

H-1075 FILED FEBRUARY 7, 2011

HOUSE FILE 189

H-1076

1 Amend House File 189 as follows:

2 1. Page 1, by striking lines 9 through 28 and
3 inserting:

4 <2. The department of management shall determine
5 all of the following for each school district within
6 the state:

7 a. The total amount of revenue generated for the
8 base year by the school district's foundation property
9 tax levy and the school district's additional property
10 tax levy, taking into account amounts allocated to the
11 school district pursuant to section 257.15.

12 b. The total amount of revenue to be generated for
13 the budget year by the school district's foundation
14 property tax levy and the school district's additional
15 property tax levy, taking into account amounts to be
16 allocated to the school district pursuant to section
17 257.15.

18 c. The remainder of the amount determined under
19 paragraph "b" after subtracting the amount determined
20 in paragraph "a".

21 3. Each school district that has a remainder
22 determined under subsection 2, paragraph "c" that
23 is greater than zero shall receive a property tax
24 relief supplement in an amount equal to the remainder
25 determined under paragraph "c". The department of
26 management shall notify each school district of the
27 amount of the property tax relief supplement.

28 4. School districts that receive a property tax
29 relief supplement under this section, shall not levy
30 property taxes for the amount of the property tax
31 relief supplement received.

32 5. Property tax relief supplement payments received
33 by a school district under this section may be used for
34 any purpose for which such amounts may be used if such
35 moneys were generated through property taxes.>

By JACOBY of Johnson

H-1076 FILED FEBRUARY 7, 2011

Fiscal Note

Fiscal Services Division



HF 184 – State Categorical Allowable Growth Rate (LSB 2062HV)

Analyst: Shawn Snyder (Phone: 515-281-7799) (shawn.snyder@legis.state.ia.us)

Fiscal Note Version – New

Description

House File 184 establishes the FY 2012 and FY 2013 allowable growth rate applied to each of the State categorical supplement cost per pupil amounts at 0.0% for both fiscal years.

Background

During the 2010 Legislative Session, the establishment of the FY 2012 State school aid categorical allowable growth rate was postponed until the 2011 Legislative Session with enactment of [Senate File 2046](#).

Fiscal Impact

The State categorical supplements are funded through the State General Fund. At a 0.0% allowable growth rate for FY 2012, the State categorical supplements will total \$315.9 million, an increase of \$1.0 million (0.3%) compared to estimated FY 2011. At a 0.0% allowable growth rate for FY 2013, the State categorical supplements are estimated to total \$316.8 million, an increase of \$1.0 million compared to estimated FY 2012. The following table provides additional detail of the fiscal impact.

HF 184 State Categorical Supplement Funding Amounts (Dollars in Millions)								
	Estimated FY 2012				Estimated FY 2013			
	District Amount	AEA Amount	Total Amount	FY 2012 vs FY 2011	District Amount	AEA Amount	Total Amount	FY 2013 vs. FY 2012
Teacher Salary	\$ 242.4	\$ 14.4	\$ 256.8	\$ 0.8	\$ 243.1	\$ 14.5	\$ 257.6	\$ 0.8
Professional Development	27.4	1.7	29.1	0.1	27.5	1.7	29.2	0.1
Early Intervention	29.9	NA	29.9	0.1	30.0	NA	30.0	0.1
Total State Categoricals	\$ 299.7	\$ 16.1	\$ 315.9	\$ 1.0	\$ 300.7	\$ 16.2	\$ 316.8	\$ 1.0

Totals may not sum due to rounding.

Sources

Department of Education, Certified Enrollment file and January 2009 Enrollment Projections file
Department of Management, School Aid file
LSA analysis and calculations

/s/ Holly M. Lyons

February 7, 2011



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Fiscal Note

Fiscal Services Division



The fiscal note for this bill was prepared pursuant to **Joint Rule 17** and the correctional and minority impact statements were prepared pursuant to Iowa Code **Section 2.56**. Data used in developing this fiscal note is available from the Fiscal Services Division of the Legislative Services Agency upon request.

HF 189 – School District Property Tax (LSB 2076HV)

Analyst: Shawn Snyder (Phone: 515-281-7799) (shawn.snyder@legis.state.ia.us)

Fiscal Note Version – New

Description

[House File 189](#) provides property tax relief to school districts that will be eligible for the FY 2012 budget guarantee. The Bill provides State funding in place of local property tax dollars in the amount of the budget guarantee for eligible school districts.

Background

School districts with enrollment changes that do not increase the district's regular program budget when factored with the allowable growth rate, may be eligible to receive a budget guarantee provision generated through the school finance formula. The budget guarantee is a discretionary provision requiring local school board approval and is funded entirely through local property taxes.

Assumptions

The FY 2012 allowable growth rate has not currently been enacted. Establishment of the allowable growth rate for FY 2012 will impact the amount of State General Fund dollars that will be provided as a result of enactment of this Bill. These estimates do not factor in any school district consolidations or reorganizations that may occur in FY 2012.

Fiscal Impact

The following table provides the fiscal impact of [HF 189](#) at various allowable growth rates. The estimate at a 0.0% allowable growth rate will result in a State General Fund expenditure increase of \$47.8 million and a property tax reduction for 277 districts totaling \$47.8 million.

Estimated Impact (Dollars in Millions)			
FY 2012 Allowable Growth Rate	State General Fund Amount for Property Tax Reduction	Property Tax Reduction Amount	Number of Districts Impacted
0.0%	\$ 47.8	\$ 47.8	277
1.0%	30.0	30.0	243
2.0%	17.8	17.8	201
3.0%	10.6	10.6	166
4.0%	6.8	6.8	128

Sources

Department of Education, Certified Enrollment file
Department of Management, School Aid file
LSA analysis and calculations

/s/ Holly M. Lyons

February 7, 2011

The fiscal note for this bill was prepared pursuant to [Joint Rule 17](#) and the correctional and minority impact statements were prepared pursuant to Iowa Code [Section 2.56](#). Data used in developing this fiscal note is available from the Fiscal Services Division of the Legislative Services Agency upon request.

Fiscal Note

Fiscal Services Division



HF 185 – State School Aid Allowable Growth Rate (LSB 2059HV)
Analyst: Shawn Snyder (Phone: 515-281-7799) (shawn.snyder@legis.state.ia.us)
Fiscal Note Version – New

Description

[House File 185](#) establishes the FY 2012 and FY 2013 allowable growth rate applied to each of the regular school aid State cost per pupil amounts at 0.0% for both fiscal years.

Background

During the 2010 Legislative Session, the establishment of the FY 2012 regular school aid allowable growth rate was postponed until the 2011 Legislative Session with enactment of [SF 2045](#). The State school aid appropriation was capped at \$2.499 billion in FY 2011, resulting in a State aid shortfall of \$156.1 million.

Assumptions

State aid estimates and property tax amounts are based on assumptions that include:

- Statewide assessed valuation increases of 3.7% for FY 2012 and 2.8% for FY 2013.
- FY 2013 increases in special education weightings of 2.0%, supplementary weightings of 20.0%, Limited-English-proficient language weightings of 7.0%, and preschool formula weightings of 7.5%.
- At-risk weighting increases of 3.0% in FY 2012 and 1.0% in FY 2013.
- Property Tax Equity and Relief (PTER) funds totaling \$6.7 million in FY 2012 and FY 2013.
- Estimates do not factor in school district consolidations or reorganizations that may occur in FY 2012 and FY 2013.
- The FY 2012 backfill calculation includes \$156.1 million due to the State school aid appropriation cap, \$47.9 million due to the replacement of remaining American Recovery and Reinvestment Act (ARRA) funds, and \$5.1 million of Underground Storage Tank funds used in lieu of General Fund dollars in FY 2011.

Fiscal Impact

The estimated impact of [HF 185](#) will result in General Fund appropriations for regular school aid and preschool formula aid as follows:

- \$2,276.3 million for regular school aid and \$69.9 million for preschool formula aid in FY 2012. (Note: The attachment shows a total of \$2,283.0 million because it includes \$6.7 million of PTER funds. The PTER funds are part of the State funds provided for school aid, but are not part of the General Fund.)
- \$2,284.6 million for regular school aid and \$75.1 million for preschool formula aid in FY 2013.

Additionally, school aid property taxes are estimated to total \$1,319.5 million in FY 2012 and \$1,337.4 million in FY 2013.

The following table provides a breakdown of State aid, property tax, and combined district cost increases for FY 2012 and FY 2013 (including the impact due to [HF 184](#)). Additionally, the attachment has FY 2012 school aid estimates by district.

Estimated FY 2012 and FY 2013 State School Aid Increases		
School Aid Funding	FY 2012 at 0.0% Allowable Growth Rate	FY 2013 at 0.0% Allowable Growth Rate
Regular Program	\$ -15.9	\$ 8.3
State Categorical Supplements	1.0	1.0
Preschool Formula	21.6	5.2
Total for Program Changes	\$ 6.7	\$ 14.5
Backfill of State Aid Shortfall	\$ 156.1	\$ 0.0
Backfill of ARRA	47.9	0.0
Backfill of UST	5.1	0.0
Total for Backfill	\$ 209.2	\$ 0.0
Est. School Aid Built-in Increase (State G.F.)	\$ 215.9	\$ 14.5
Est. School Aid Property Tax Increase	\$ 70.0	\$ 17.8
Est. Combined District Cost Increase	\$ 36.6	\$ 27.1

Sources

Department of Education, Certified Enrollment file and Enrollment Projection file
 Department of Management, School Aid file
 LSA analysis and calculations

/s/ Holly M. Lyons

February 7, 2011

The fiscal note for this bill was prepared pursuant to [Joint Rule 17](#) and the correctional and minority impact statements were prepared pursuant to Iowa Code [Section 2.56](#). Data used in developing this fiscal note is available from the Fiscal Services Division of the Legislative Services Agency upon request.

Legislative Services Agency: FY 2012 School Aid Amounts by School District Based on HF 184 and HF 185

District	FY 2012 Budget Enrollment	Est. FY 2012 Regular State Aid	Est. FY 2012 Total State Categorical Supplements	FY 2012 Estimated Change in State Aid	Est. Change in Property Tax	Est. Change in Combined District Cost	Est. FY 2012 Total Property Tax Adjustment Aid	FY 2012 Budget Adjustment/Budget Guarantee	FY 2012 Preschool Formula	Change in Preschool Formula
East Buchanan	630.3	2,691,186	357,193	177,245	60,103	16,140	0	100,717	112,654	31,769
East Central	370.1	1,857,248	256,778	-11,671	131,892	1,493	0	122,180	52,647	-14,119
East Greene	339.0	1,492,898	238,694	-180,763	178,972	-132,896	0	169,892	42,368	0
East Marshall	691.3	3,426,270	514,600	151,140	72,497	12,847	0	68,672	134,132	-24,709
East Union	487.3	2,297,819	346,113	-151,068	224,585	-49,721	0	189,323	0	-45,887
Eastern Attawapiskat	399.0	1,537,902	316,011	18,354	243,430	143,594	0	213,612	67,096	-17,649
Edgely-Blakesburg	667.8	2,376,044	478,507	168,535	161,656	71,436	0	262,111	162,371	24,709
Edgewood-Coleburg	473.0	2,226,691	343,407	78,338	6,955	-63,600	0	21,885	88,245	-3,530
Edora-New Providence	640.6	3,423,623	481,408	289,210	27,545	80,594	0	0	144,722	10,590
Elk Horn-Kimbolton	245.2	1,207,325	186,573	152,187	21,138	59,317	0	41,721	35,298	35,298
Emmetsburg	696.2	2,828,583	462,779	597,560	-11,375	174,207	0	0	194,139	194,139
English Valleys	634.1	2,488,732	412,162	38,945	111,579	-14,705	0	57,678	84,715	-14,119
Essex	237.6	1,122,372	186,781	122,779	52,216	97,408	0	54,977	0	0
Estherville Lincoln Central	1,398.2	6,942,532	918,336	363,707	285,018	239,708	84,877	116,503	307,093	-24,708
Evira	246.1	1,061,179	185,809	28,953	94,195	1,065	0	127,867	35,298	35,298
Fairfield	1,710.0	7,530,567	1,174,833	328,565	184,026	-150,390	0	355,504	84,715	84,715
Farragut	217.6	641,538	180,772	-88,189	119,236	-81,430	0	196,281	35,298	35,298
Forest City	1,089.6	6,057,770	810,891	76,053	-252,630	-632,133	108,077	215,612	281,205	56,477
Fort Dodge	3,737.5	19,297,235	2,619,060	216,717	610,373	-469,522	252,952	664,236	762,437	21,179
Fort Madison	2,288.0	11,703,615	1,455,698	257,567	58,598	-451,703	180,452	334,131	0	0
Fredericksburg	264.1	1,161,843	193,055	121,397	13,316	-30,130	0	32,172	74,126	74,126
Fremont	182.7	987,635	123,057	116,859	-48,440	-43,727	0	22,626	45,887	45,887
Fremont-Mills	423.4	1,989,946	299,706	37,594	7,909	-193,486	0	135,427	88,245	88,245
GM3	329.4	1,412,270	286,220	-58,559	185,460	13,326	0	179,214	91,775	-3,530
Galva-Holstein	445.0	1,853,817	313,328	389,649	-12,483	147,561	0	26,899	81,185	81,185
Garner-Hayfield	777.3	3,712,560	552,890	396,707	69,279	174,394	0	0	180,020	14,119
George-Little Rock	470.0	2,005,722	330,376	3,064	120,653	-36,896	0	104,894	116,483	0
Gilbert	1,188.5	5,187,646	715,392	638,375	90,453	259,399	0	0	112,654	112,654
Gilmore City-Bradgate	129.0	397,219	94,874	5,364	-25,001	-88,412	0	74,454	52,647	24,709
Gladbrook-Reinbeck	647.7	2,885,609	440,947	78,462	88,326	-51,680	0	166,051	0	0
Glenwood	2,106.1	10,481,131	1,320,890	843,351	67,653	79,882	185,937	0	169,430	169,430
Glidden-Ralston	337.4	1,354,185	245,124	31,212	82,498	23,832	0	82,387	56,477	-17,649
Graettinger-Terrill	367.0	1,323,938	253,581	-115,308	111,350	-130,007	0	55,183	81,185	0
Greene	284.0	1,344,518	214,732	256,804	32,833	135,141	0	20,547	60,007	60,007
Grinnell-Newburg	1,708.9	7,670,014	1,154,556	401,527	268,051	-123,553	0	218,650	218,648	218,648
Grissold	599.0	2,795,511	366,236	203,156	230,451	210,768	0	214,051	105,994	17,649
Grundy Center	626.5	3,056,694	418,149	297,320	96,854	157,198	0	49,929	0	0
Guthrie Center	493.6	2,350,752	346,093	128,947	19,648	-18,779	0	151,462	116,483	0
H.L.V.	351.3	1,503,122	247,455	89,621	129,395	18,797	0	129,185	77,656	77,656
Hamburg	257.0	1,293,725	171,896	170,423	-175,123	-65,450	0	24,734	67,096	-31,788
Hampton-Dumont	1,169.7	6,331,780	853,291	288,947	389,882	361,594	44,564	211,417	134,132	94,716
Harlan	1,473.1	7,040,877	977,712	473,973	-139,663	-272,196	0	160,833	123,543	123,543
Harmony	738.3	1,728,090	257,510	-163,880	182,537	-117,217	0	225,573	77,656	6,922
Harris-Lake Park	289.0	998,092	207,826	139,718	37,765	80,493	0	0	84,715	0
Harley-Melvin-Sanborn	640.1	3,039,754	459,219	139,910	227,270	133,648	0	211,648	84,715	-3,530
Highland	654.4	3,188,862	482,304	-43,473	222,589	-73,487	0	130,002	162,371	28,239
Hinton	551.0	2,273,458	382,094	156,850	83,894	2,347	0	68,660	67,096	67,096
Howard-Winneshiek	1,384.0	6,402,680	893,398	438,165	148,123	170,047	0	46,727	300,033	-31,788
Hubbard-Racine	397.8	1,338,028	204,220	-10,374	61,762	-88,108	0	91,059	70,696	3,530
Hudson	668.3	3,281,126	441,796	26,360	186,045	-5,239	0	99,836	0	0

LSA: HF184_HF185_Estimates.xlsx

Legislative Services Agency: FY 2012 School Aid Amounts by School District Based on HF 184 and HF 185

District	FY 2012 Budget Enrollment	FY 2012		FY 2012 Total State Categorical Supplements	FY 2012		Est. Change in Combined District Cost	Est. FY 2012 Total Property Tax Adjustment	FY 2012 Budget Adjustment/Budget Guarantee	FY 2012 Preschool Formula	Change in Preschool Formula
		Est. FY 2012 Regular State Aid	Est. FY 2012 Total State Categorical Supplements		Estimated Change in State Aid	Est. Change in Property Tax					
Montezuma	526.2	1,909,044	336,928		-36,028	-7,642	-314,983	0	29,708	88,246	88,246
Monticello	1,009.8	4,794,278	661,781		787,075	-1,831	213,741	0	0	254,146	254,146
Moravia	345.8	1,706,420	286,148		207,047	49,629	104,502	3,727	0	109,424	42,368
Morrison Trail	244.8	1,144,313	187,189		2,824	-63,442	-189,675	0	57,300	35,288	14,119
Morning Sun	217.0	1,107,178	154,270		68,948	81,197	50,922	10,557	48,417	56,477	56,477
Moulton-Udell	204.2	988,059	158,218		-23,023	48,120	-51,642	0	83,315	56,477	3,530
Mount Airy	598.0	2,880,981	488,054		191,513	68,644	75,800	0	130,316	141,182	3,530
Mount Pleasant	2,069.0	10,536,335	1,370,054		575,391	241,314	141,321	158,036	128,087	0	0
Mount Vernon	1,082.3	5,328,333	717,227		325,294	123,612	41,667	118,135	0	70,566	70,566
Murray	279.2	1,470,047	229,786		-100,240	138,279	-46,763	39,215	105,653	74,119	-14,119
Muscatine	5,292.8	28,081,901	3,479,896		918,043	1,374,130	209,874	751,510	915,660	1,126,068	296,503
Nashua-Plainfield	680.5	3,086,403	447,411		162,161	23,819	12,075	0	80,759	120,013	-10,890
Nevada	1,481.6	7,235,936	977,591		283,491	126,203	-60,720	114,672	17,049	324,742	3,530
New Hampton	1,050.4	4,258,932	678,422		463,339	-22,309	-70,740	0	55,259	180,020	180,020
New London	540.6	3,000,282	386,828		195,814	34,638	55,205	133,953	22,890	0	0
Newell-Fonda	462.3	1,924,006	311,545		325,327	68,328	267,455	0	0	120,013	-10,560
Newton	3,102.0	15,651,235	2,055,059		370,567	969,574	88,851	285,741	777,862	240,026	240,026
Nishna Valley	104.4	582,482	191,850		-180,942	85,572	-165,042	0	155,869	56,477	-7,059
Nodaway Valley	679.3	3,104,120	487,947		116,721	107,608	-37,054	0	134,686	151,781	35,288
Nora Springs-Rood Falls	394.0	1,809,485	291,914		-18,270	165,445	-4,867	0	194,482	63,536	17,649
North Cedar	883.9	4,244,880	601,034		118,732	365,305	53,223	0	371,897	118,493	118,493
North Central	487.0	2,216,535	355,255		118,320	179,239	98,488	0	129,838	28,238	28,238
North Fayette	878.2	4,183,393	578,634		186,881	-17,743	-123,630	0	51,523	201,199	7,060
North Iowa	498.9	1,751,508	395,154		69,946	-3,407	-198,402	0	119,948	67,096	67,096
North Kossuth	300.3	941,941	225,463		-244,712	212,657	-124,746	0	226,452	60,007	-24,708
North Linn	749.7	3,645,384	483,487		43,887	256,813	72,034	34,239	161,303	130,003	-14,119
North Mahaska	537.2	2,241,550	372,128		165,003	15,824	48,764	0	0	88,246	-35,288
North Polk	1,265.3	6,034,656	740,639		706,949	148,426	218,543	99,320	257,675	257,675	257,675
North Scott	2,954.5	13,207,985	1,898,509		936,495	437,353	466,487	0	251,646	437,695	-24,709
North Tama County	527.8	2,253,852	361,656		63,862	132,118	21,838	0	108,512	0	0
North Winneshiek	278.0	1,209,394	195,834		-7,438	176,336	-9,707	0	178,185	77,656	77,656
Northeast	547.0	2,474,428	390,412		219,034	46,512	-2,329	0	32,838	91,775	91,775
Northeast Hamilton	261.1	794,188	196,127		163,981	20,090	27,112	0	0	70,596	70,596
Northwood-Henset	517.0	1,979,699	354,355		13,249	170,079	13,724	0	146,379	0	0
Normal	2,390.9	13,093,374	1,537,319		1,103,083	206,098	463,441	701,921	0	575,357	109,423
Osceola-Arthur	338.2	1,452,451	233,845		135,083	-51,079	-107,267	0	24,595	77,656	77,656
Oelwein	1,293.3	7,549,321	874,505		378,732	-141,047	-272,673	282,762	148,619	275,324	52,947
Ogden	696.3	2,891,590	498,285		153,701	278,932	105,707	0	254,293	102,364	102,364
Okoboji	898.4	323,050	593,559		125,690	330,090	150,510	0	151,328	240,026	17,649
Olga	230.9	1,197,880	195,153		192,592	7,715	85,008	0	26,172	35,288	35,288
Orient-Moskburg	209.0	947,399	171,227		149,941	9,730	55,586	0	49,824	42,358	31,769
Osage	936.8	4,273,014	634,735		300,283	-12,792	-112,240	0	101,841	98,834	98,834
Oskaloosa	2,408.8	11,948,285	1,576,875		480,281	580,287	185,097	118,430	288,153	525,940	88,834
Oshtemo	4,529.6	25,014,522	2,954,828		815,070	985,527	365,284	1,280,401	561,785	755,377	-31,768
PCM	1,036.0	5,179,490	646,653		512,651	144,232	140,271	82,049	17,572	187,079	187,079
Panorama	770.8	2,849,281	498,870		250,178	63,130	-48,531	0	149,328	116,483	116,483
Paton-Churdan	198.0	660,509	134,305		-58,018	109,529	-35,967	0	102,911	17,649	17,649
Pekin	651.1	2,759,904	450,704		-64,040	119,818	-300,302	0	286,484	127,073	127,073
Pella	2,227.0	9,727,635	1,355,711		843,588	273,786	235,412	0	121,507	190,009	190,009
Perry	1,832.5	10,198,793	1,257,975		457,420	403,876	283,000	480,245	223,710	300,033	-28,238

LSA: HF184_HF185_Estimates.xlsx

Legislative Services Agency: FY 2012 School Aid Amounts by School District Based on HF 184 and HF 185

District	FY 2012 Budget Enrollment	Est. FY 2012 Regular State Aid	Est. FY 2012 Total State Categorical Supplements	FY 2012		Est. Change in Combined Total Property Tax Adjustment Aid	FY 2012 Budget Adjustment/Budget Guarantee	FY 2012 Preschool Formula	Change in Preschool Formula
				Estimated Change in State Aid	Est. Change in Property Tax				
Pleasant Valley	3,784.2	16,046,160	2,259,058	1,798,189	352,249	1,058,177	0	381,218	-21,179
Pleasantville	635.7	3,214,366	421,200	134,811	-67,651	88,287	0	127,073	7,060
Pocahontas Area	508.7	2,121,140	360,323	210,948	-78,474	-57,523	0	155,467	21,178
Pomeroy-Fairmer	211.5	718,073	173,688	138,894	25,521	68,433	0	66,490	31,768
Postville	575.9	2,806,867	402,218	246,772	-5,288	-23,851	0	81,944	74,128
Prairie Valley	628.6	2,968,011	479,522	80,930	171,949	-57,338	0	168,405	95,305
Prescott	94.0	416,375	59,793	73,068	-38,065	-3,694	0	7,060	7,060
Preston	335.9	1,662,868	218,363	118,176	-24,255	-31,829	0	63,636	17,649
Red Oak	1,216.6	6,235,704	867,198	6,701	-49,793	14,598	-7,056	250,616	-7,056
Remsen-Union	395.4	1,442,440	289,759	165,945	-20,828	-42,489	0	32,288	88,245
Riceville	274.3	894,272	239,058	28,581	-7,762	-74,671	0	110,198	0
River Valley	441.6	1,832,841	324,538	169,335	44,100	-33,363	0	91,775	91,775
Riverside	665.6	2,582,354	437,196	319,576	166,965	134,640	0	101,546	130,603
Rock Valley	610.1	2,788,425	416,722	245,833	56,983	138,804	0	281,205	-24,709
Rockwell City-Lytton	467.1	1,986,561	353,473	361,599	-89,003	140,499	0	45,887	-14,120
Rockwell-Swaledale	325.0	1,372,120	240,883	104,037	29,179	-36,758	0	80,007	80,007
Roland-Story	948.5	4,300,830	631,345	39,579	370,882	45,483	0	317,241	52,947
Rudd-Rockford-Marble Rk	489.1	2,054,991	361,423	86,392	117,026	-29,603	0	177,319	77,656
Ruthten-Ayrshire	261.0	1,088,920	182,706	205,359	30,161	113,272	0	42,368	42,368
Sac	402.0	2,008,830	288,618	117,393	164,891	73,065	0	172,788	95,305
Saydel	1,200.7	4,086,635	863,709	228,293	216,596	-49,296	0	216,307	91,775
Schaller-Crestland	378.4	1,460,433	267,300	164,966	48,654	54,363	0	60,976	36,268
Schleswig	307.6	1,453,805	173,347	97,947	33,658	28,057	0	18,294	0
Sentinel	162.0	513,436	132,233	88,808	-27,568	-29,590	0	88,868	45,887
Sergeant Bluff-Luton	1,380.3	5,535,693	926,597	478,100	168,341	150,057	0	62,794	45,887
Seymour	229.8	931,037	191,379	-1,091	-6,027	-82,748	0	80,759	0
Sheffield Chapin Meservey Thornton	444.3	1,868,135	330,431	238,738	-33,282	-8,069	0	63,536	63,536
Sheldon	1,006.6	4,789,645	648,171	129,644	268,529	74,456	0	179,243	-10,560
Shenandoah	1,046.7	3,386,429	730,234	662,931	136,464	473,556	88,540	0	0
Sibley-Oakleydan	757.0	3,483,962	526,619	408,700	11,211	47,363	0	128,371	127,073
Sidney	352.5	1,877,571	274,095	50,044	164,340	812	0	134,500	77,656
Sigourney	575.2	2,838,729	406,483	379,488	132,210	236,028	0	77,915	81,165
Sioux Center	1,012.1	4,559,254	691,374	400,436	141,581	0	0	81,165	0
Sioux Central	515.3	1,854,108	411,507	328,978	106,481	203,680	0	74,128	74,128
Sioux City	13,823.2	81,322,874	9,138,005	4,515,228	2,328,922	1,447,002	4,805,682	1,107,933	2,354,377
Solon	1,250.8	6,555,715	753,934	548,442	89,558	155,725	0	105,894	105,894
South Hamilton	687.3	2,650,683	510,867	216,087	112,553	-2,646	0	108,424	108,424
South O'Brien	661.8	2,697,180	437,738	404,274	26,188	168,048	0	56,477	56,477
South Page	208.6	1,005,891	169,777	-73,491	12,451	-181,327	0	35,268	35,268
South Tama County	1,518.5	8,396,662	1,072,893	305,893	-135,261	-344,455	256,497	30,613	292,973
South Winneshiek	604.4	2,734,632	412,509	150,243	173,900	-142,659	-17,649	183,550	-17,649
Southeast Polk	6,094.5	31,858,458	3,885,326	2,775,091	602,818	720,507	0	730,699	730,699
Southeast Warren	550.0	2,780,802	371,826	-18,888	236,873	44,781	0	88,245	-10,569
Southeast Webster Grand	543.5	2,341,009	410,103	105,758	87,688	-8,699	0	155,311	17,649
Southern Cal	497.1	2,178,311	356,130	347,210	150,841	319,684	0	128,477	137,682
Spencer	1,910.3	9,525,549	1,291,004	1,547,232	241,455	741,679	0	420,046	420,046
Spirit Lake	1,178.1	2,546,151	781,336	426,435	-39,640	-78,633	0	36,568	95,305
Springville	403.9	1,935,759	282,604	4,505	-22,307	174,136	0	49,417	49,417
St. Ansgar	644.5	2,532,059	438,404	176,478	106,819	-9,600	0	138,348	81,165
Stanston	198.0	890,165	152,917	37,283	-3,941	-25,598	0	23,532	-7,059

LSA: HF184_HF185_Estimates.xlsx

Legislative Services Agency: FY 2012 School Aid Amounts by School District Based on HF 184 and HF 185

District	FY 2012 Budget Enrollment	Est. FY 2012 Regular State Aid	Est. FY 2012 Total State Categorical Supplements	FY 2012 Estimated Change in State Aid	Est. Change in Property Tax	Est. Change in Combined District Cost	Est. FY 2012 Total Property Tax Adjustment	FY 2012 Budget Adjustment/Budget	FY 2012 Preschool Formula	Change in Preschool Formula
Stamont	648.3	3,083,244	467,364	-17,768	233,366	-50,542	0	242,620	106,864	36,286
Storm Lake	2,082.2	11,802,641	1,380,818	311,727	386,012	-22,602	523,394	163,494	314,152	-3,630
Stratford	177.9	781,882	122,837	-68,548	-48,862	-105,961	0	132,637	52,947	17,649
Sumner	574.0	2,626,346	356,340	439,129	-36,400	86,096	0	0	134,132	134,132
Tippon	844.8	3,989,664	538,264	523,160	50,046	169,696	0	0	106,864	106,864
Trionka	153.0	542,276	123,361	-54,550	42,184	-67,017	0	86,245	28,238	28,238
Troynor	568.2	2,434,241	391,657	164,208	68,657	50,207	0	33,410	0	0
Tri-Center	686.3	3,168,803	454,008	305,934	-48,711	-120,613	0	78,771	155,311	155,311
Tri-County	286.6	1,404,874	221,683	155,133	-24,014	47,747	0	60,830	66,477	-14,119
Triptoli	471.0	2,357,790	318,665	268,818	-4,111	49,237	12,758	76,742	91,775	91,775
Turkey Valley	411.1	1,765,275	303,788	38,738	82,683	-65,150	0	190,466	74,126	74,126
Twin Cedars	408.3	2,096,680	292,505	171,746	13,388	-29,503	31,327	28,419	81,165	81,165
Twin Rivers	185.0	633,578	134,862	62,429	1,192	46,608	0	16,622	24,708	-10,689
Underwood	741.9	3,205,622	466,899	180,980	206,240	44,228	0	183,874	106,864	106,864
Union	1,253.9	6,894,764	780,611	326,887	266,266	166,166	0	186,251	0	0
United	349.8	912,268	162,140	229,411	-47,765	38,630	0	7,771	137,662	38,628
Urbandale	3,356.8	14,276,479	2,211,061	1,874,172	346,705	659,220	0	0	618,881	618,881
Valley	448.8	2,140,079	314,818	-54,567	167,492	-7,121	0	155,351	88,245	0
Van Buren	712.6	3,427,425	479,301	-57,578	202,544	-70,738	0	151,278	81,185	-31,769
Van Meter	682.1	2,516,816	387,789	113,138	100,321	29,446	0	70,491	0	0
Ventura	266.5	342,235	201,266	10,729	-11,359	-85,194	0	8,308	0	0
Villisca	1,738.479	8,753,422	246,813	17,904	34,432	-45,285	0	74,185	67,066	-28,239
Vinton-Shellsburg	1,731.4	8,753,422	1,214,378	-165,120	735,151	-13,222	73,800	487,594	222,377	-17,849
Waco	520.9	2,627,100	383,077	251,821	48,182	148,752	0	0	105,864	-17,646
Wal Lake View Albion	519.2	2,388,857	366,187	367,946	116,692	205,008	0	62,886	108,424	108,424
Walnut	211.4	912,822	142,574	91,965	38,234	42,745	0	30,857	45,887	14,119
Wapello	794.8	3,954,458	533,546	405,609	-7,133	82,326	0	0	67,096	67,096
Wapsie Valley	719.7	3,710,624	491,624	553,831	64,489	227,276	0	0	194,138	194,138
Washington	1,740.2	9,418,056	1,146,067	768,068	-2,682	170,991	256,512	0	296,503	24,226
Waterloo	10,622.4	58,803,568	7,282,384	1,853,733	3,106,782	1,186,580	1,094,349	1,594,823	536,530	-38,886
Waukegan	6,680.2	27,583,543	3,794,712	4,313,362	833,054	3,200,096	0	0	0	0
Waverly-Snell Rock	1,886.5	8,786,179	1,191,959	566,236	282,322	-57,401	0	147,940	278,864	278,864
Wayne	520.5	2,506,072	410,602	83,965	104,051	6,502	0	98,952	108,424	3,630
Webster City	1,583.7	7,866,175	1,086,283	828,967	83,489	470,275	0	0	377,689	-83,536
West Band Mallard	317.0	1,120,624	246,230	-28,838	50,241	-150,718	0	106,328	56,477	56,477
West Branch	812.9	3,533,283	518,003	332,362	53,797	46,719	0	0	81,185	81,185
West Burlington	441.8	2,167,534	378,633	181,596	-81,380	-60,323	16,633	0	197,669	31,768
West Central	293.7	1,130,838	208,176	31,896	100,657	36,807	0	78,479	0	0
West Central Valley	949.8	3,991,737	631,243	110,227	276,668	26,576	0	156,846	211,788	38,828
West Delaware County	1,617.1	7,786,622	1,052,685	642,893	-890	116,140	0	0	0	0
West Des Moines	8,893.3	31,414,474	5,511,004	4,085,425	1,038,818	1,487,993	0	0	828,503	828,503
West Harpook	629.2	2,517,239	425,127	437,904	64,602	141,727	0	0	166,801	166,801
West Harrison	461.9	2,199,718	325,644	-33,446	189,383	-19,483	0	217,479	80,007	3,530
West Liberty	1,211.4	6,467,147	808,502	376,513	151,585	87,506	185,500	0	292,973	42,357
West Lyon	783.0	3,283,364	479,481	527,288	66,012	224,345	0	0	137,662	137,662
West Marshall	856.7	4,015,985	597,239	-18,150	316,713	18,486	0	234,398	0	0
West Monona	692.9	3,394,731	470,311	504,201	64,321	215,248	0	0	127,073	127,073
West Sioux	680.0	3,897,964	491,817	284,011	228,705	316,979	106,339	179,743	144,722	-38,828
Western Dubuque	2,879.4	12,342,275	1,886,897	1,303,139	283,131	605,500	0	0	1,002,463	67,096
Westwood	566.1	2,178,741	397,555	285,149	-16,313	-4,251	0	37,648	84,715	84,715

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Legislative Services Agency: FY 2012 School Aid Amounts by School District Based on HF 184 and HF 185

District	FY 2012 Budget Enrollment	Est. FY 2012 Regular State Aid	Est. FY 2012 Total State Categorical Supplements	FY 2012 Estimated Change in State Aid	Est. Change in Property Tax	Est. Change in Combined District Cost	Total Property Tax Adjustment Aid	FY 2012 Budget Adjustment/Budget Guarantee	FY 2012 Preschool Formula	Change in Preschool Formula
Whiting	186.1	689,292	157,528	11,572	34,607	-5,087	0	34,121	-49,417	-10,560
Williamsburg	1,128.7	5,423,589	721,970	366,862	208,616	-5,868	0	68,369	211,788	211,788
Wilson	790.3	3,778,941	534,919	120,400	580	-108,887	0	107,694	28,238	28,238
Winfield-Mt Union	382.8	1,784,332	284,033	177,962	22,908	66,589	0	7,705	98,834	14,119
Winnet	1,725.3	8,900,074	1,088,600	1,234,870	185,295	488,030	149,539	29,604	391,808	391,808
Woods-Crystal Lake	133.0	502,447	97,960	57,589	-16,707	-25,524	0	26,434	21,179	21,179
Woodbine	438.4	2,055,401	316,188	130,621	-4,615	-105,143	0	36,059	84,715	84,715
Woodbury Central	688.2	2,774,743	385,489	294,813	110,535	58,197	5,421	34,009	162,371	162,371
Woodward-Granger	823.2	3,721,021	522,543	741,177	-68,204	225,899	0	0	208,259	208,259
STATE-WIDE TOTAL	473,493.4	\$ 2,282,982,627	\$ 315,862,679	\$ 144,187,960	\$ 70,043,696	\$ 36,576,827	\$ 30,710,978	\$ 47,762,234	\$ 69,890,037	\$ 21,637,953

Legislative Services Agency: FY 2012 School Aid Amounts by School District Based on HF 184 and HF 185

District	FY 2012 Budget Enrollment	Est. FY 2012 Regular State Aid	Est. FY 2012 Total State Categorical Supplements	FY 2012 Estimated Change in State Aid	Est. Change in Property Tax	Est. Change in Combined District Cost	Est. FY 2012 Total Property Tax Adjustment Aid	FY 2012 Budget Adjustment/Budget Guarantee	FY 2012 Preschool Formula	Change in Preschool Formula
Maximum	30,975.0	176,095,410	22,059,101	8,428,822	5,588,848	3,200,096	5,027,125	1,716,501	4,712,283	829,503
Minimum	64.0	67,337	48,162	-301,212	-252,630	-1,366,532	0	0	0	-330,786
Range	30,911.00	176,028,073	22,010,939	8,730,034	5,841,478	4,566,628	5,027,125	1,716,501	4,712,283	1,160,269
Median	629.2	2,806,867	426,127	186,881	96,854	37,704	0	78,771	98,834	31,769
Average	1,318.9	6,359,283.1	879,840.3	401,637.8	195,107.8	101,885.3	85,545.9	133,042.4	194,679.8	60,272.8
Number of Districts with Increases				306	295	209				
Number of Districts with Decreases				53	64	150				
Total Number of Districts Receiving:				87	277	323				

Total All State Aid (Preschool Formula, State Categoricals, Regular School Aid, and Property Tax Equity and Relief Funds: \$ 2,668,735,343

Notes and Assumptions:

Estimates include Property Tax Equity and Relief (PTER) funds generated from the FY 2010 State sales/use tax for school infrastructure. The funds are also included in the Regular State aid amounts.

Combined district cost is the sum of the regular program, budget adjustment, district cost of supplementary weights, special education program, area education agency programs, dropout prevention programs, and the State categorical supplements, and includes both property tax and State aid. The combined district cost does not include the preschool state aid amount.

The Budget Adjustment is a mechanism to provide additional funding for school districts with declining enrollments. It is funded with property taxes and is included in the Foundation Property Taxes. A phase-out of the scale down feature of the Budget Guarantee began in FY 2005.

Foundation Property Taxes include the Uniform Levy and the Additional Levy with adjustments for Utility Tax Replacement.

Assumptions include:		FY 2012
Taxable Valuations		3.70%
Enrollments		Actual
Special Ed. Weighting Change		Actual
Supplementary Weighting Change		Actual
ESL Weighting Change		Actual
At-Risk Weighting Change		3.00%

Regular State school aid does not include State Categorical Supplement amounts.

The increase in State school aid is based on regular school aid adjusted for the FY 2011 State aid shortfall due to the State school aid appropriation cap. Additionally, the FY 2011 State aid amount includes Education Fiscal Stabilization and Government Services Stabilization funding from the American Recovery and Reinvestment Act (ARRA) and funds used from the Underground Storage Tank (UST) Fund.

Please contact the LSA if there are any questions or concerns regarding this information.

LSA SAS Program V3.1_FY11.

This spreadsheet was updated on January 3, 2011

Fiscal Note

Fiscal Services Division



HF 194 – Income Tax Rate Reduction (LSB 1482HV)

Analyst: Jeff Robinson (Phone: 515-281-4614) (jeff.robinson@legis.state.ia.us)

Fiscal Note Version – New

Description

[House File 194](#) reduces each of Iowa's nine individual income tax rates by approximately 20.0%, effective tax year 2012. The top rate would be reduced from the current 8.98% to 7.18%.

Assumptions

The results on a tax year basis were produced by the Department of Revenue using an Individual Income Tax Model. That model is based on the actual tax returns of Iowa taxpayers, and the model currently is based on tax year 2008 returns. All but a small portion of individual income tax payments are deposited to the State General Fund.

The impact on FY 2012 will be for a partial year and the impact will be realized through reduced withholding and estimate payments. Fiscal year 2010 withholding deposits from January 25th through the end of the fiscal year along with estimate payment deposits starting February 10th through the end of the fiscal year were summed and then inflated by 4.5% per year for two years. The result was multiplied by the 20.0% rate reduction.

Individual school districts may impose a surtax of up to 20.0% (see Iowa Code Section 298.14) of Iowa individual income taxes owed, prior to any refundable tax credits. Since [House File 194](#) reduces Iowa individual income taxes owed, it also reduces the amount of surtax revenue generated by schools imposing the surtax. The surtax is currently being used by approximately 85.0% of Iowa's 359 school districts.

Fiscal Impact

The tax rate reduction contained in [House File 194](#) is projected to decrease the income tax paid by Iowa taxpayers, including out-of-state returns owing Iowa income tax, by the following amounts:

Reduction in Iowa Income Taxes Owed In Millions of Dollars		
Year	Tax Year	Fiscal Year
2012	\$ 683.3	\$ 330.0
2013	\$ 695.4	\$ 704.1
2014	\$ 746.6	\$ 711.5
2015	\$ 761.1	\$ 750.6

The impact will grow in future fiscal years as Iowa taxable income grows.

In addition, the total tax liability for the Iowa income tax surcharge for schools will decrease approximately \$23.5 million for tax year 2012, with the surtax impact growing each fiscal year as taxable income increases. Faced with the reduced surtax yield, school districts with a surtax rate below the 20.0% maximum may choose to increase the rate and taxpayers would not receive some of the surtax reduction.

Sources

Department of Revenue Individual Income Tax Model
Legislative Services Agency Analysis

/s/ Holly M. Lyons

February 7, 2011

The fiscal note for this bill was prepared pursuant to [Joint Rule 17](#) and the correctional and minority impact statements were prepared pursuant to Iowa Code [Section 2.56](#). Data used in developing this fiscal note is available from the Fiscal Services Division of the Legislative Services Agency upon request.
